Testimony of 350 Connecticut Before the Energy & Technology Committee

In Support of SENATE BILL 450, AN ACT CONCERNING ENERGY CONSERVATION AND RENEWABLE ENERGY

Submitted by
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350 Connecticut is a statewide, grassroots, climate and environmental action organization. 350 Connecticut's Global Warming Solutions Act Working Group focuses on accountability in the implementation of Public Act 08-98 and on policies that will help Connecticut reduce its greenhouse gas emissions.

Senator Fonfara, Representative Nardello, and members of the Committee,

Thank you for the opportunity to comment on Senate Bill 450, AAC Energy Conservation and Renewable Energy. 350 Connecticut is pleased to support this bill.

The sections of this bill that seek to establish full access to the state's energy efficiency programs for heating oil customers are of particular importance. Forty-eight percent of Connecticut residential units are heated with fuel oil, and without action this session to establish a new and steady funding stream, these residents will lose most of their access to cost-saving, pollution-cutting programs like Home Energy Solutions. We are pleased that SB 450 removes the cap on efficiency programs for oil customers and requires that Connecticut residents have access to Home Energy Solutions at the same cost regardless of the kind of fuel they use (Section 21), and that the bill sets up a Fuel Oil Conservation Account to help pay for efficiency upgrades (Section 1). These measures will help oil customers take advantage of programs that can save them hundreds of dollars every winter, protect and create jobs at efficiency businesses, and cut greenhouse gas emissions from the building sector.

Among other things, SB 450 is an environmental bill. Like all fossil fuels, heating oil releases carbon dioxide and other greenhouse gases when it is burned, along with other air pollutants. The 2008 Global Warming Solutions Act (P.A. 08-98) established ambitious 2020 and 2050 targets for reducing Connecticut's overall greenhouse gas emissions. Achieving the necessary reductions will mean cutting emissions from all sectors, including building energy use, industry, transportation, and more. Household energy use is responsible for approximately 20 percent of our state's GHG emissions. It is clear that Connecticut cannot meet its GHG targets without reductions from the residential sector, and it is equally clear that we cannot achieve deep emissions cuts from the residential sector if nearly half the homes in the state are left out.

Providing full and reliable access to state efficiency programs will dramatically increase use of these services, and enable businesses to train and hire more skilled workers to steady, local jobs. Connecticut's home performance and energy efficiency sector has tremendous growth potential, but only if the all residents are able to access energy programs. If the nearly half of homes in the state that heat with oil lose access to Home Energy Solutions, demand for audits and other services will drop and businesses may have to lay off workers. This bill can reverse that—it will protect existing jobs and help create new ones. 350 Connecticut supports investment in energy efficiency because it is job-intensive, creating three to four times as many jobs per dollar invested as fossil fuels. These jobs are safer and healthier for workers than jobs in the fossil fuel industry, and they are local.

Connecticut has an admirable array of programs to help residents reduce their energy use and costs. These include the Home Energy Solutions program which provides low-cost home energy audits and basic efficiency improvements, as well as rebate and financing programs to help make deeper efficiency upgrades more affordable. These programs are supported by a surcharge on electricity and natural gas bills, but not on oil bills. Because of this, oil customers have limited access to the programs, though they contribute to the funds via their electric bills. Since 2009 the difference has been made up through funding from the federal ARRA stimulus and proceeds from Regional Greenhouse Gas Initiative auctions, but that funding is about to run out—UI customers will lose access to the programs this month and CL&P customers will lose access in May. It is essential that the General Assembly take action this session to establish a new, reliable and fair funding stream for heating oil customers.

Section 1 establishes a new Fuel Oil Conservation Account under the control of the existing Fuel Oil Conservation Board. The bill charges the Board with using its monies to assist heating oil customers in making their buildings more energy efficient, converting electric resistance heat to oil heat, and replacing outdated oil equipment with equipment that is more efficient. It is the hope of 350 Connecticut that this account can be supplied by a steady and equitable funding source sufficient to meaningfully support these important programs. 350 Connecticut supports state investment in our energy efficiency programs and believes this investment must be long-term and predictable to maximize benefits. Numerous studies have shown that investments in energy efficiency are a wise use of funding, as these investments return many times over in increased economic activity.

Section 21 of the bill removes the cap on energy program assistance for oil customers that was put in place by last year's big energy bill, P.A. 11-80. It specifies that all oil, gas, and electric heat customers will be able to access the services of the Home Energy Solutions program at the same costs regardless of heating source, for as long as that program is supported by a surcharge on utility bills. 350 Connecticut fully supports this move towards fairness and full access.

The bill also instructs the Department of Energy and Environmental Protection (in consultation with the Department of Consumer Protection) to conduct studies evaluating any barriers that might prevent oil dealers from promoting energy efficiency (Section 5), and assessing the costs and benefits of state programs to encourage efficiency in oil use (Section 4). We support the inclusion of these forward-looking, commonsense studies.

350 Connecticut is further encouraged to note the Committee's commitment to encouraging the use of electric vehicles and other low-emissions vehicles, and to establishing the necessary infrastructure to make electric vehicle ownership practical for state residents, as demonstrated by Sections 22-27 of the bill.

Please support Senate Bill 450. This bill offers cost savings and fair program access to the half of Connecticut ratepayers who heat with oil, which will in turn protect and create steady jobs at local efficiency businesses and help in reaching our state's greenhouse gas reduction goals.

Thank you for your time and consideration.

Sincerely,

The members of the Global Warming Solutions Act Working Group 350 Connecticut organizers@350ct.org / 350ct-gwsa@googlegroups.com